

# STATE OF MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD)

# **REQUEST FOR PROPOSALS**





# Information Packet Multifamily Capital Fund

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# Request for Proposals Multifamily Capital Fund Initiative

The Department of Housing and Community Development (DHCD) seeks proposals from qualified applicants to receive funding under its Multifamily Capital Fund (MCF) Initiative. This initiative aims to leverage other state investments made by the State under the State Revitalization program, assist with large financing gaps, and capitalize on economic growth and development opportunities using the Department's Multifamily Bond Program (MBP) and 4% Low-Income Housing Tax Credits (LIHTC). Funding will be awarded competitively to nonprofit and for-profit sponsors of eligible housing projects. Awards will be based on criteria to be developed by the Department.

Eligibility, scoring, and submission requirements for the Multifamily Capital Fund Initiative are included in this document. If you have questions please contact Caty Waterman using the contact information provided below.

All applications for the Multifamily Capital Fund are due no later than 2:00 p.m. on Wednesday, November 30, 2022.

<u>Caty.Waterman1@Maryland.gov</u>; Maryland Department of Housing and Community Development, Multifamily Housing Programs, 7800 Harkins Road, Lanham, Maryland 20706; 301.429.7776 or 1.800.543.4505.





# Program Description Multifamily Capital Fund

#### **Overview**

DHCD requests owners/developers to apply for the Multifamily Capital Fund. DHCD will select the most qualified of those proposals based on the scoring criteria outlined below.

Proposals from interested parties are due into DHCD by <u>Wednesday</u>, <u>November 30th</u>, <u>2022 at 2:00 p.m.</u> At all times, proposals must meet all Threshold Criteria unless specified otherwise. Projects requesting financing that do not meet all Threshold Criteria outlined in the Multifamily Financing Program Guide or have incomplete applications will be withdrawn from processing.

#### **Maximum Allocation Awarded**

\$6 million per project

#### **Due Date**

Proposals must be received by DHCD no later than **2:00 p.m. on November 30, 2022**. Proposals will be date stamped to verify receipt by the submission deadline. Applicants must submit one (1) hard copy and one (1) electronic copy. Hard copy applications must be submitted to the DHCD Mailroom at:

Maryland Department of Housing and Community Development Caty Waterman, Deputy Director, Multifamily Administration and Initiatives 7800 Harkins Road Lanham, Maryland 20706

Electronic applications must be submitted to <a href="mailto:dhcd.qap@maryland.gov">dhcd.qap@maryland.gov</a> via online file sharing platform, such as Google Drive, Drop Box, Share Point, etc.. The electronic copy should be clearly tabbed and follow the application outline on page 8 of the RFP so that a reviewer may easily find the necessary materials. The files should not be scanned versions of the printed materials. The CDA Form 202 should be submitted in both excel and PDF formats.

The Application, including the scoring criteria and other information regarding the application process, is available on the DHCD website:

https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx





#### **Selection Process**

DHCD will employ the following process to determine which proposal will be selected.

- DHCD staff will review each proposal to ensure that it is complete. Incomplete submissions will be returned and will not be processed further by DHCD. Complete proposals will be submitted for scoring.
- A scoring committee convened by DHCD will score all complete proposals. DHCD may invite other State and local government agencies to participate in the review process.
- All proposals will be ranked according to their score. The highest-scoring proposals will be recommended and submitted to the CDA Director for approval. Upon approval of the CDA Director, the recommendation will be submitted to the Secretary for final approval and allocation.

# **Eligibility Requirements**

To be eligible for the Multifamily Capital Fund, the following criteria must be met:

- Projects must submit a complete LIHTC application prior to the application deadline demonstrating a need for Multifamily Capital Funds.
- Projects must demonstrate a need for at least \$5 million of MBP financing.
- Only one application will be accepted per developer.
- All waiver requests must be submitted using the Waiver Request Form by 5:00 PM on November 23<sup>rd</sup>, 2022.
  - o https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/WaiverRequest.aspx

#### **Housing Registry**

Applicants will be required to provide all information required by DHCD and SocialServe to list their properties on DHCD's Housing Registry Website: <a href="https://www.MDHousingsearch.org">www.MDHousingsearch.org</a>

#### Fair Housing and Equal Opportunity

The Applicant shall comply with applicable Federal and State laws, executive orders, and regulations pertaining to fair housing and equal housing opportunity, including without limitation, Title VI of the Civil Rights Act of 1964, as amended (42 USC § 2000d et seq., 24 CFR Part 1), The Fair Housing Act, as amended (42 USC § 3601 et seq., 24 CFR Part 100-115), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq., 24 CFR Part 146). Applicants are cautioned to be aware of the potential applicability of provisions of the Americans with Disabilities Act, federal Fair Housing legislation, and Section 504 of the Rehabilitation Act of 1973 to any housing proposed for funding. Procedures for the selection of residents, conditions of residency, and rules regarding termination may fall within the scope of this legislation. Providers must make reasonable accommodations of rules, policies, and procedures and may be required to





allow reasonable structural modifications of buildings to be made, if necessary, to allow an individual with disabilities equal access to housing.

#### **DHCD Non-Discrimination Notice**

DHCD does not discriminate based on race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status in the admission or access to or treatment or employment in its program's activities. DHCD will provide appropriate communication auxiliary aids and services upon sufficient notice. DHCD will also provide this document in alternative formats upon sufficient notice. DHCD has designated the following person responsible for coordinating compliance with applicable Federal and State nondiscrimination requirements and addressing grievances:

Gordon Outlaw, Fair Practices, gordon.outlaw@maryland.gov.

#### Right to Cancel

DHCD reserves the right to reject or cease processing requests for the Multifamily Capital Fund Initiative.

#### **Submission Requirements**

• Completed Application using the format as attached.

#### **Additional Terms and Conditions**

- DHCD expressly reserves the right to modify or withdraw this Request at any time, whether before or after any responses have been submitted or received.
- DHCD reserves the right to adjust the timetable for this Request as deemed necessary.
- DHCD reserves the right to reject any or all respondents and not award a contract pursuant to this Request or to terminate the Request process at any time if deemed to be in its best interest.
- If the respondent selected does not enter the required contract described in this Request, DHCD reserves the right to reject the respondent and offer the award to another respondent.
- In no event will any obligations of any kind be enforceable against DHCD unless and until a written contract is entered.
- DHCD reserves the right to waive informalities and minor irregularities in proposals received.
- DHCD reserves the right to reject and not consider any or all respondents who do not meet this Request's requirements, including but not limited to incomplete responses and/or responses offering alternate or non-requested services.
- Each respondent agrees to bear all costs and expenses of its response. There will be no reimbursement for any costs and expenses relating to preparing responses submitted or for any costs or expenses incurred during any negotiations.





# SCORING CRITERIA Multifamily Capital Fund

The scoring committee will be using the following criteria to score each eligible proposal. Unless noted otherwise, all scoring categories are based on the criteria established in the Multifamily Rental Financing Program Guide. A maximum of 150 points may be awarded as follows:

### I. Section 4.1 Capacity of Development Team (74 Points)

- a. (42 points) Development Team Experience
- b. (-10 points) Deductions from Team Experience
- c. (18 points) Developer Financial Capacity
- d. **(14 points)** Nonprofits, Public Housing Authorities, and Minority/Disadvantaged Business Enterprises

#### II. Section 4.2 Community Context (16 Points\*)

- a. (16 points\*) Community Impact Projects
- b. (16 points\*) Communities of Opportunity
- c. (16 points\*) Defined Planning Areas and Opportunity Zones

#### III. Section 4.4 Public Purpose (Maximum of 25 Points)

A maximum of 25 points will be counted toward the MCF score from the four (4) categories listed below:

- a. (15 points) Income Targeting
- b. (10 points) Targeted Populations
- c. (8 points) Family Housing
- d. (8 points) Tenant Services

#### IV. Section 4.5.1 Leveraging (15 points)

a. (15 points) Direct Leveraging

#### V. State Leveraged Incentive for Neighborhood Revitalization (10 points)

Funds under the State Revitalization Program\*\* must have been awarded in the last seven (7) years and be directly related to multifamily housing and the project/phase being submitted under this RFP. Award letters must be submitted with your application in order to win points in this category.

- a. (2 points) Awarded \$500,000 \$750,000
- b. (4 points) Awarded \$750,001 \$1,000,000
- c. (6 points) Awarded \$1,000,001 \$1,250,000
- d. (8 points) Awarded \$1,250,001 \$1,500,000
- e. (10 points) Awarded over \$1,500,000

#### VI. Section 4.7 State Bonus Points (10 Points)

Up to ten (10) bonus points will be awarded to one (1) project based on the criteria listed in Section 4.7 of the Guide.

<sup>\*\*</sup> State Revitalization Program funding sources include the Baltimore Regional Neighborhood Initiative (BRNI), the Community Legacy Program (CL), the National Capital Strategic Economic Development Fund (NED), Seed Community Development Anchor Institution Fund (SEED), the Strategic Demolition Fund – Project C.O.R.E. (CORE), and the Strategic Demolition Fund (SDF).





<sup>\*</sup> Projects cannot receive points under more than one of the Community Impact, Communities of Opportunity, and Defined Planning Area categories.

# **Applicant Self-Scoring**

Scoring Summary Table	Maximum Possible Points	Applicant Self- Score	DHCD USE ONLY
I. Capacity of Development Team	74 Points		
4.1.1 Development Team Experience	42		
4.1.2 Deductions from Team Experience Score	-10		
4.1.3 Developer Financial Capacity	18		
4.1.4 Nonprofits (NPs), Public Housing	14		
Authorities (PHAs) and Minority/Disadvantaged			
Business Enterprises (MBE/DBEs)			
II. Community Context	16 Points		
4.2.1 Community Impact Projects	16*		
4.2.2 Communities of Opportunity	16*		
4.2.3 Defined Planning Areas and Opportunity	16*		
Zones			
III. Public Purpose	25 Points		
4.4.1 Income Targeting	15		
4.4.2 Targeted Populations: PWD or Special	10		
Needs			
4.4.3 Family Housing	8		
4.4.4 Tenant Services	8		
IV. Leveraging and Cost Effectiveness	15 Points		
4.5.1 Direct Leveraging	15		
V. State Leveraged Incentive for Neighborhood	10 Points		
Revitalization			
VI. State Bonus Points	10 Points		
Total	150 Points		

<sup>\*</sup> Projects cannot receive points under more than one of the Community Impact, Communities of Opportunity, and Defined Planning Area categories.





<sup>\*\*</sup> State Revitalization Program funding sources include the Baltimore Regional Neighborhood Initiative (BRNI), the Community Legacy Program (CL), the National Capital Strategic Economic Development Fund (NED), Seed Community Development Anchor Institution Fund (SEED), the Strategic Demolition Fund – Project C.O.R.E. (CORE), and the Strategic Demolition Fund (SDF).

#### **APPLICATION**

# **Multifamily Capital Fund**

Please provide the following project information in the order presented:

- I. Project summary including the dollar amount of the Multifamily Capital Fund requested, which cannot exceed \$6 million.
- II. Complete Application Submission Kit
- III. Multifamily Capital Fund Self-Score Sheet
- IV. Copy of Application Fee
- V. State Revitalization Program Funding Award Letter(s), if applicable



